



Joint Policy Committee / Regional Planning Program

ABAG-MTC Joint Policy Committee

November 19, 2004

10:00 a.m.

MetroCenter, Room 171
101 Eighth Street, Oakland

AGENDA

1. Welcome, Introductions and Opening Remarks
2. Approval of Joint Policy Committee Meeting Minutes of October 22, 2004 (attached) Action
3. Recent Housing Legislation (attached) Discussion
Recently chaptered AB 2158 and AB 2348 amend the legislation governing general plan housing elements and regional housing needs determination. ABAG Principal Planner, Alex Amoroso, will report on the impact of the two bills with particular emphasis on the implications for regional planning and the pursuit of the regional vision.
4. Transit Oriented Development—Policy Proposals (attached) Discussion
MTC staff will present a draft policy proposal for conditioning transit extensions on supportive development. If adopted, the proposal could have implications for a number of Resolution 3434 projects and their surrounding communities, including BART extensions in eastern Contra Costa and Alameda Counties, BART to San Jose, and the Sonoma-Marín Rail among others.
5. SB 849—Composition of the JPC Action
A JPC subcommittee will present recommendations for inclusion of BAAQMD representatives and a representative of the Secretary of Business, Transportation and Housing.
6. Other Business
7. Public Comment



Joint Policy Committee / Regional Planning Program

ITEM 2

ABAG-MTC Joint Policy Committee

Minutes of the Meeting of October 22, 2004
Held at 9:00 a.m. in MetroCenter Room 171

Attendance:

ABAG members:

Jane Brunner
Dave Cortese
Mark Green
Scott Haggerty
Rose Jacobs Gibson
Steve Rabinowitch
Gwen Regalia

ABAG staff:

Paul Fassinger
Henry Gardner
Patricia Jones
Eugene Leong
Janet McBride
Christy Riviere

MTC members:

Sue Lempert
John McLemore
Jon Rubin (Chair)
Jim Spering
Shelia Young

MTC staff:

James Corless
Doug Kimsey
Lisa Klein
Valerie Knepper
Therese McMillan

JPC staff:

Ted Droettboom

Other:

Dana Cowell, Caltrans
Linda Craig, League of Women Voters
Jerry Hill, San Mateo County
Nashua Kalil, BART
Peter Lydon, SPUR
Andrew Michael, Bay Area Council
Shelley Poticha, Center for Transit-Oriented Development
David Schonbrunn, TRANSDEF
John F. Silva, BAAQMD
Leslie Stewart, Bay Area Monitor

1. Welcome and Opening Remarks

The chair opened the meeting with a welcome, and members in attendance introduced themselves.

2. Approval of Joint Policy Committee Meeting Minutes of September 24, 2004
The minutes of the previous meeting were approved.

3. Transit Oriented Development—Continued

MTC Senior Planner James Corless introduced Shelley Poticha from the Center for Transit-Oriented Development. Ms. Poticha presented results on research her organization has conducted around the country. This research is summarized in the publication, *Hidden In Plain Sight: Capturing The Demand For Housing Near Transit*, available online at http://www.reconnectingamerica.org/pdfs/Ctod_report.pdf.

Particularly important in Ms. Poticha's view were walkability and the mix of uses at both ends of a typical transit commute, not just at the housing end. TOD was also most effective when combined with a set of incentives for transit use and disincentives for automobile use. Example policy approaches from around the continent and within the Bay Area were explored.

In discussion, the following points were raised:

- Parking policy, particularly the number of spaces required and provided, may be critical. We need better information on this to supplement anecdotal perceptions.
- A universal policy prescription will not work across the diversity of situations in the Bay Area (i.e., one size will not fit all).
- BART policies have a major impact on the ability to achieve development around heavy rail stations. The JPC may want to advocate changes in these.
- Local jurisdictions could benefit from technical assistance in developing appropriate transit-oriented development plans.
- Communities need better information on the mode split actually achieved in TOD communities. Many assume that new residents will drive just like existing residents do, contributing to traffic congestion.
- While it is assumed that TOD community residents will be empty nesters, in the current tight housing market this may not be true. Families are doubling up in high density developments, increasing the demands on schools. This creates another factor in opposition to density.

- The relationship between transit and capital improvements to the road system needs greater emphasis, particularly in communities dependent on bus systems. A bus stuck in traffic is not a viable alternative to the automobile.

4. Recent Housing Legislation

This item was deferred to the next meeting.

5. Travel Forecasts

Doug Kimsey, Manager of Planning for MTC, presented an overview of MTC's Travel Model and Current Forecasts. The slides from this presentation can be viewed at <http://www.abag.ca.gov/jointpolicy/>.

In discussion, members noted that an effort was required to raise bike and walk trips and that transit ridership may be increased by administrative and operational changes in the transit system.

6. A Smart Growth Checklist

Members suggested a number of helpful editorial comments on the checklist. Some members offered to forward additional suggestions. These are welcome at any time.

The Committee approved the following recommendations of Regional Planning Program Director:

- A. THAT the Joint Policy Committee approve the attached draft Smart Growth Checklist as an accurate representation and appropriate extension of regional growth policy;
- B. THAT the Joint Policy Committee authorize the Regional Planning Program Director to enter into a discussion with local planning officials on a process for voluntarily employing this checklist or something similar as part of the local project review process, following from local-government confirmation of the regional smart growth policies; and
- C. THAT before actually seeking local government confirmation of the regional smart growth policies and subsequent use of a voluntary checklist or similar device, the Regional Planning Program Director report back to the Joint Policy Committee on the final documents as modified in discussion with local planning officials.

A member of the public suggested that the process of pursuing the checklist and the confirmation of the regional vision would benefit from a short piece identifying the expected benefits of smart growth, including those noted in Mr. Kimsey's presentation. The Regional Planning Program Director agreed and will include such a piece in the material he discusses with planning directors.

7. SB 849

The requirements of SB 849 as they affected the composition and work program of the JPC were discussed. The principal area of contention was the size of the committee. Some members argued for a larger Committee to increase representation across the region and to enhance the level of buy-in. Others worried that the quality and fullness of the debate would suffer were the Committee to become much larger.

It was moved and seconded, and it was the decision of the Committee:

THAT a sub-committee composed of the Chair and Vice Chair of ABAG and the Chair and Vice Chair of MTC meet and report back to the next meeting of the JPC with a recommendation for including representation from BAAQMD and *ex officio* representation from the Secretary of Business, Transportation and Housing; the sub-committee's report to include a recommendation on the size and distribution of membership among agencies.

8. Other Business

The Committee agreed to continue meeting through 2005 on the third Friday of each month. This creates a conflict once a quarter with RAPC. Staff will pursue a resolution of this conflict.

9. Public Comment

Mr. Schonbrunn reminded the Committee that MTC would be releasing the Regional Transportation Plan next month. The plan includes an exploration of the TRANSDEF alternative.

ITEM 3

Date: October 22, 2004

To: Joint Planning Committee

From: Alex Amoroso, Principal Planner ABAG

Re: Smart Growth Implications of Recent Housing Law Changes

Introduction

During the most recent legislative session, two housing bills were signed into law and affect the Regional Housing Needs Allocation Process (RHNA). These two bills (AB2158, Lowenthal and AB2348, Mullin) represented in law as Chapters 696 and 724 respectively, have implications not only to the Housing Element process, but also to the smart growth implications of State policy. The two pieces of law were arrived at through a process developed by the Department of Housing and Community Development (HCD). The Housing Element Working Group (HEWG) was created and served as a technical advisory group to HCD and the staff of the Legislature. Members of the HEWG included representatives from the California League of Cities, California State Association of Counties, several housing advocacy groups, both for- and non-profit developers, building associations and councils of governments. The HEWG worked for approximately six months to craft legislative language that strengthened and clarified Housing Element Law and reflects a number of trade-offs between the involved parties.

The two bill packet was moved through the legislative process and into law as a joint piece of work. Both pieces were necessary to carry out the intent of the HEWG and legislators who carried the bills.

This report highlights changes in the law and suggests what opportunities might result from their implementation. While not an exhaustive analysis of the new laws, the report does highlight the areas that the JPC and others could focus their attention. The new laws are reviewed in the context of their smart growth implications.

Bill Highlights

AB2158, Lowenthal

1. A set of four objectives has been added that suggests the RHNA process should:
 - promote increasing the supply of housing equitably throughout the region and with each jurisdiction receiving a share of low and very low income units
 - promote infill development and socioeconomic equity, protect agricultural and environmental resources, and encourage efficient development patterns
 - promote an improved intraregional relationship between jobs and housing
 - redistribute the proportionate shares of lower income households away from those jurisdictions that have a disproportionately high share

This addition of intent language couches the RHNA process in the broader planning process of local jurisdictions (general plans) and implies a shift in the patterns of development to both accommodate more housing and preserve resources. These concepts are addressed in the RHNA

requirements for allocation by the COG and through allowances for redistribution of units between jurisdictions.

2. The regional allocation from HCD to the COG will now be more closely tied to the overall projections of growth used in the Regional Transportation Plan (RTP). In the Bay Area, ABAG's Projections are used to prepare the RTP. If the State's RHNA allocation and the regional RTP projections are within three percent, then the regional projections will be the basis. A process has been instituted that will allow for dialogue between HCD, the COG and the Department of Finance, hopefully resulting in resolution of differences in excess of the three percent marker.

This allows for a greater focus on the region's assumptions about overall growth, assuming it is in the ballpark of the State's assumptions.

3. Cities and a county or counties may form a subregional entity within which RHNA numbers may be allocated through a mutually agreed upon process. The timing and process for the subregional allocations is spelled out in the law. The COG is still responsible to provide an overall allocation to the subregion, however the actual authority, within the context of the law, is placed with the subregional group for making the distribution. This process can now begin prior to the distribution of RHNA allocations. In addition, this portion of law is more clearly defined as a result of the changes.

Such an allowance for subregional delegation/responsibility allows for a more localized approach to land use decisions and housing need that can better respect local and subregional needs.

4. The set of factors that must be considered in the allocation process undertaken by the COGs has been modified. The revised list includes:

- jobs/housing relationships
- infrastructure capacity limitation outside the control of local authority
- availability of land including underutilized and underdeveloped land that might increase capacity for housing
- lands preserved or protected under state or federal laws
- county controls over development of agricultural lands
- RTP assessments of growth and focus of transit and transportation infrastructure.

These factors can be weighted by the COG to define their level of importance to a given region. The COG is required to use the factors to the extent that sufficient data is available at a regional level. The factors, survey for information and weighting give regions and local jurisdictions a way to address local constraints as well as reflecting state goals.

AB2348, Mullin

1. The sites analysis portion of the Housing Element Law has been amended. These new requirements are meant to provide more clarity and surety in the consideration of sites and programs available to develop housing during the Housing Element cycle.

2. Local jurisdictions may substitute up to 25% of their RHNA allocation with committed assistance units (rehab, purchases of subsidized units) rather than new construction. This encourages existing units to be preserved and should help jurisdictions with limited availability of land and sites.

3. Those jurisdictions that are unable to, or choose not to identify sufficient sites to accommodate their RHNA will then be required to address minimum densities in the housing element update. These minimum densities have been identified in the legislation and in terms of unincorporated, suburban, non metropolitan and metropolitan subsets.
4. Projects that are consistent with the adopted housing element (provision of housing on an identified site) may be inconsistent with the general plan and/or zoning ordinance. If this occurs, it does not preclude the local jurisdiction from approving the proposed development.
5. A set of findings allow local jurisdictions to find against a development that meets current general plan and zoning ordinances under certain conditions. However, the findings requirements are stringent.
6. Imposition of development standards that render a site, already identified for housing, as not available for development at the proposed density of the general plan would not be allowed.

These pieces, in conjunction with the prior legislation, show a pattern of providing certainty to the development community. In another sense, they provide back up to the local jurisdiction board or council to approve development with the back up of state law.

Conclusion

The two new laws have implications to smart growth including:

- Intent language that couches the RHNA process in the need to preserve and protect resources, link housing production to jobs and transportation availability, and promote infill development patterns
- Provisions that can limit the development of housing in unincorporated areas are not appropriate for development.
- Clear factors for consideration in the methodology that reflect capacity and habitat preservation issues
- Allowance for the subregional reallocation of units to better reflect identified needs in a multi-jurisdictional area
- Greater certainty in identifying sites and approving development of infill housing, with back-up of state law to defend the approvals.

Note: Because these laws mandate new work on both the regional governments and local governments, the laws are considered to be State mandates. Conversations are happening in Sacramento regarding how these new mandates might be funded.



METROPOLITAN
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COMMISSION

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Memorandum

TO: Joint Policy Committee

DATE: Nov. 12, 2004

FR: Therese McMillan, Deputy Director, Policy

RE: Transit Oriented Development (TOD) Policy White Paper

At your last two meetings, we presented some background and context on MTC's efforts to promote transit-oriented development (TOD)—a key component of implementing the regional Smart Growth Vision. Specifically, we are working to refine and implement a policy adopted by the Commission in December 2003 to condition regional discretionary funds for MTC's Resolution 3434 transit expansion projects on supportive local land use plans and policies.

Attached is a draft TOD policy "White Paper" with our preliminary regional policies and incentives to encourage transit-oriented development for Resolution 3434 transit expansion projects. The white paper incorporates a significant amount of work that has been conducted by both MTC and ABAG as part of the Bay Area Transit-Oriented Development (TOD) Study over the last six months, and has been assisted by a broad-based Transportation-Land Use Task Force representing regional agencies, transit agencies, Caltrans, congestion management agencies, local governments, private developers and public interest stakeholders.

The white paper proposes three basic components as the core of the new regional TOD policy for transit expansion projects seeking regional discretionary funding under MTC's Resolution 3434:

1. **Corridor Performance Measures:** MTC is proposing to use simple quantitative performance measures to assess supportive levels of development and policies along a proposed transit corridor—specifically the amount of population and jobs planned within walking distance of the transit stations. We have focused on these measures both for their simplicity and for their strong correlation with increasing transit ridership and thus cost-effectiveness of the transit investments. We are also proposing a large degree of flexibility in how jurisdictions would meet these performance measures for an entire corridor, and will discuss more of these details during our presentation. (Note the two

performance measure tables are currently blank in the draft white paper. We will provide you with some proposed measures at your November 19th meeting).

2. **Station Area Plans**: As we've discussed at prior JPC meetings, effective Transit-Oriented Development is not based on population or employment density alone. MTC is proposing that each new station funded under Resolution 3434 complete a station area plan that will address key land use, urban design, parking, access and finance issues. MTC is proposing to assist in the financing of these station area plans for all corridors subject to this policy.
3. **Corridor Working Groups**: The implementation process for applying the new TOD policy is crucial and must have local buy-in. The key ingredient in this proposed process is the formation of corridor working groups, including local jurisdictions, transit agencies, regional agencies and the private sector. These working groups are the key to successfully implementing this policy, linking up the local land use decision-making process with the transit project development process, and negotiating issues among differing jurisdictions. We are proposing that the county congestion management agencies (CMAs) convene these working groups.

We are requesting the Joint Policy Committee's assistance in the refinement of this proposed TOD policy over the next 4-6 months. We are preparing to conduct a significant amount of outreach during this time, as well as "test drive" the proposed policies through a series of case studies that will be conducted around the region as part of the TOD Study. Our goal is to adopt a final TOD policy as part of an update to Resolution 3434 in the spring of 2005.

Therese McMillan

TM: JC

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**PRELIMINARY REGIONAL POLICIES AND INCENTIVES TO ENCOURAGE
TRANSIT-ORIENTED DEVELOPMENT****I. PURPOSE**

The Metropolitan Transportation Commission (MTC) has developed a set of policies to improve the integration of transportation and land use in the Bay Area—including a specific policy to condition the allocation of regional discretionary transit funds under MTC's control, provided by Resolution 3434, on supportive land use policies for station areas and corridors included in the region's transit expansion program. The intent of this regional Transit-Oriented Development (TOD) policy is to improve the cost-effectiveness of regional investments in new transit expansions and to encourage transportation agencies, local jurisdictions, and the private sector to work together to create development patterns that are more supportive of transit.ⁱ The purpose of this paper is to propose draft performance measures and implementation strategies for the regional TOD policy. It will be widely circulated for public comment, and the proposed performance measures and implementation strategies will be tested through a series of case studies, to be refined and eventually adopted as part of an update to Resolution 3434 in 2005.

II. BACKGROUND

The five regional planning agencies, led by the Association of Bay Area Governments (ABAG), released a Smart Growth Vision for the nine-county Bay Area in 2002 that established a goal of capturing half of all new development over the next two decades around the region's transit hubs and corridors.ⁱⁱ In December 2003, the Metropolitan Transportation Commission made a commitment to assist in the implementation of the vision by adopting a Transportation/Land Use Platform.ⁱⁱⁱ The platform establishes MTC's overall approach to improving the integration of transportation and land use in the Bay Area, and builds upon MTC's Transportation for Livable Communities (TLC) and Housing Incentive (HIP) programs. One of the key Platform points is to condition the allocation of regional discretionary transit funds under MTC's control, provided by Resolution 3434, on supportive land use measures by local jurisdictions.

MTC's Resolution 3434 provides a funding commitment of \$11.7 billion for nearly two dozen new transit expansion projects in the nine-county San Francisco Bay Area (see Attachment A for a complete list of projects). Some of these projects are planned for newly growing areas and others are intended to improve service in the urban portions of the region. These projects encompass a wide range of transit technologies (BART, light rail, ferry, commuter rail, streetcar, and bus rapid transit) and will support a diverse range of places (urban downtowns, suburban centers, residential neighborhoods, and park-and-ride stops).

III. EXISTING MTC POLICY

The Commission's Transportation/Land-Use Platform calls for a stronger linkage between transportation and land use planning in the Bay Area. As a key element of the platform, the Commission took a further step to condition the award of regional discretionary transit funding on supportive local land use policies. The policy states that the Commission will:

- *Encourage changes to local general plans that support Transit Oriented Development for Resolution 3434 investments.*
- *Promote development of land uses adjacent to major transit extensions to support ridership markets that will make these investments economically feasible.*
- *Condition the award of regional discretionary funds under MTC's control for Resolution 3434 expansion projects on the demonstration by local government that plans are in place supporting some level of increased housing/employment/mixed use density around transit stations.*

This paper defines how the above policy to condition transit funding on supportive land use could be implemented. It is based on extensive work undertaken as part of the ongoing Transit-Oriented Development study conducted by MTC in partnership with the Association of Bay Area Governments. It is also an attempt to build on and support two other existing policies for linking supportive land use with transit investments—BART's system expansion policy and FTA's New Starts process for federally funded transit expansions.^{iv}

There are three key elements of the regional TOD policy as proposed: (a) utilize a simple performance measure to quantify appropriate minimum levels of development around transit stations to support cost-effective transit investment decisions; (b) provide financial assistance for the development of local station area plans for transit stations subject to the regional TOD policy; and (c) establish a transparent implementation process that defines expectations, timelines, roles and responsibilities for key stages of the transit project development process.

IV. CORRIDOR PERFORMANCE MEASURES

The goal of transit-oriented development is to maximize the number of potential transit riders that live and work within walking distance of transit stations. A key part of the implementation of this regional TOD policy is to establish a quantitative performance measure that can be applied to regional transit investments under Resolution 3434. MTC and the TOD Study consultant—the Center for Transit-Oriented Development—spent several months developing a set of alternative performance measures and vetting them through a variety of stakeholders including local transportation agencies, city planning staff, private developers, non-profit housing providers, community organizations and other industry experts.

These initial performance measures included: (1) a proposal to establish a threshold for a minimum percentage of riders that walk to the transit stations as a proxy for surrounding transit-oriented development; (2) a proposal to measure population and jobs along the proposed transit corridor; and (3) a proposed point system that would evaluate population, employment, urban design standards, and other supportive local policies to promote TOD. The first and third measures have since been eliminated due to a variety of concerns. Forecasting walk access to future transit stations was seen as too burdensome for transit agencies and local governments since it is not a traditional measure and could easily prove to be unreliable. The point system was discarded due to concerns around the subjectivity and the complexity involved in the proposed evaluation process.

Two options for performance measures are presented here—Option 1 is based on population, while Option 2 is based on both population and jobs. Option 1 would establish a threshold for minimum levels of population in the areas immediately around transit stations along a proposed corridor, based on studies that conclude that people who live within a close walk of a transit station are far more likely to ride transit.^v Option 2 would include both population and jobs, based on the additional findings that commuters whose jobs are close to transit are more likely to commute on transit. Either one of these options would set threshold levels—of population or a combination of population and jobs—for a corridor under consideration, tailored to the type of transit being proposed and based on both existing land use patterns and future land use plans. How targets are distributed along the corridor, and how the targets are distributed within the proximity of each station – e.g. by housing type, employment type and density—would be determined collaboratively by the affected local jurisdictions in each corridor.

It is essential to note that developing vibrant transit villages and quality transit-oriented development throughout the region—and building places that people will want to live, work, shop and spend time in—will not be solved through housing or population alone. Parks, shops, neighborhood services, street design, block size, parking policies and design features that enhance community character are all critical elements of creating successful transit-oriented developments. MTC believes that these are issues that are best addressed on a station-by-station basis as part of the proposed Station Area Plan process (see below for more details).

Both corridor performance measures presented below are based on higher thresholds for transit systems that are costlier to build but also serve as better attractors for transit-oriented development. Thus higher population thresholds will be proposed for BART expansions, and lower thresholds for commuter rail and ferry terminals. As the policy is proposed, there would be no population threshold test applied to any express bus or enhanced bus projects as part of Resolution 3434.^{vi}

**OPTION 1: AVERAGE POPULATION PER SQUARE MILE
RESIDENTIAL ONLY**

	BART	Light Rail	Bus Rapid Transit	Commuter Rail/Ferry
Population Per Square Mile				

Population per square mile is an average per station based on planned residential population within a half mile of all new stations.

**OPTION 2: AVERAGE POPULATION PER SQUARE MILE
RESIDENTIAL PLUS EMPLOYMENT**

	BART	Light Rail	Bus Rapid Transit	Commuter Rail/Ferry
Population+Jobs Per Square Mile				

Population per square mile is an average per station based on planned residential and employment population within a half mile of all new stations.

V. REGIONAL SUPPORT: STATION AREA PLANS & TLC

MTC is in the process of developing a Station Area Planning Program to assist local governments and transit agencies in the development of these station area plans. As part of the implementation of the regional TOD policy, each proposed transit project seeking funding through Resolution 3434 must develop a station area plan—funded by MTC as part of the Station Area Planning Program—for each proposed station.^{vii} Station Area Plans should, at a minimum, define both the land use plan for the area as well as the policies—

zoning, design standards, parking policies, etc.—for implementation.^{viii} The plans should also include the following elements:

- Market assessment of the timing and viability of various proposed land uses;

- Transit ridership estimates and estimates of patrons walking from the station area to the station itself;
- Station access and circulation plans for motorized, non motorized and transit access;
- Urban Design standards, such as block size, “build to” lines, streetscape and sidewalk standards, particularly those that will promote the livability and walkability of the station area;
- TOD-related parking standards for each land use, along with provision for shared parking;
- A financial plan for identification of public infrastructure required and needed revenue tools such as tax increment financing, parking revenues or parking districts and assessment districts;
- Implementation plan for the station area plan that addresses how development proposals should be evaluated based on their consistency with the station area plan. Definition of a process for how the local jurisdiction will deal with project proposals that do not meet or contribute to the standards, criteria and expectations established in the local Station Area Plans.

It is also envisioned that TLC capital project funding, as well as funds available under MTC’s Housing Incentive Program (HIP), would provide additional financial incentives to carry out projects identified in the Station Area Plans.

VI. PROPOSED IMPLEMENTATION PROCESS

Transit-oriented development involves the implementation of both transit projects and land use decisions, which have traditionally been developed in different policy arenas and on separate schedules. Major transit projects typically involve the following major steps: (1) Alternatives Analysis/Environmental review, (2) Preliminary Engineering, (3) Final Design/Right of Way, and (4) Construction. Land use development decisions relating to transit stations typically involve the major steps of general plan amendments, station area plans, zoning amendments, and permitting. In both cases some of these steps may be conducted concurrently or in a slightly different order.

In order to implement the regional TOD policy, it is proposed that a more coordinated process be developed for linking Resolution 3434 transit projects with supportive land use policies as shown in the accompanying flowchart and table. The flowchart focuses on MTC’s process – particularly two threshold tests: 1) Plans are developed that meet the test after the EIR, and 2) Plans are adopted and in place before construction. The table provides more information regarding concurrent activities by different agencies. Note that while the typical proposed implementation process is described here, the exact implementation steps would need to be addressed for individual Resolution 3434 projects to correspond to specific situations.

Each of the major transit extensions subject to this process will need to convene a Corridor Working Group—many already have a working group that may be adjusted to take on the role of addressing supportive land use policies. The Corridor Working Group should be coordinated by the relevant county congestion management agency (CMA), and will need to include the sponsoring transit agency, the local jurisdictions in the corridor, ABAG, MTC, and other parties as appropriate.

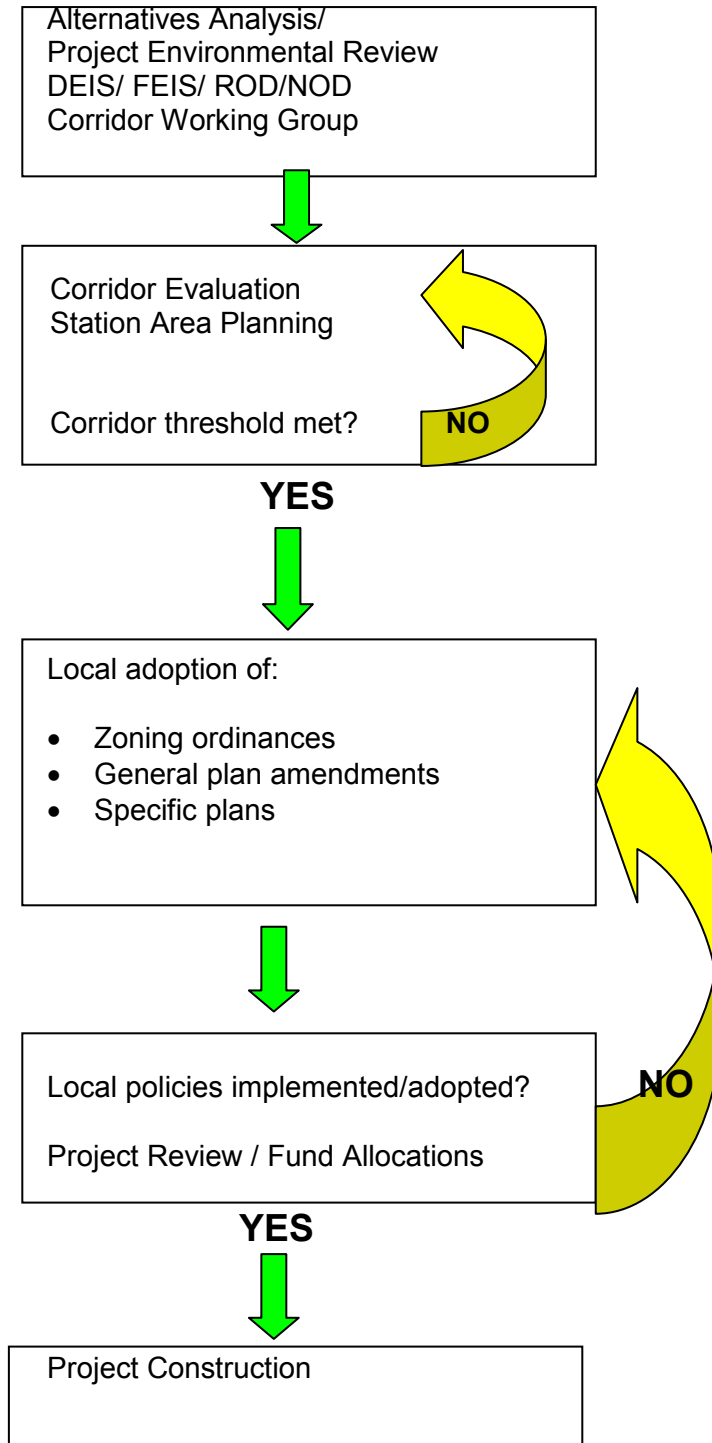
The Corridor Working Group must assess whether the planned level of development—the level of local development planned around each of the stations and summed for the entire transit extension in the corridor—satisfies the corridor threshold as defined for the mode. The Corridor Working Group should also address how to distribute target levels of development among individual stations. MTC will assist in the development and funding of Station Area Plans for transit stations under Resolution 3434.

One key purpose of the Corridor Working Group is to connect the development of station area planning with the development of the transit project—creating transit stations that strengthen local communities and promoting local development patterns that effectively support the transit system. The Corridor Working Group will continue with corridor evaluation and station area planning until the corridor threshold is met and supporting Station Area Plans are adopted.

The next step of the process involves the adoption of local policies to enable and facilitate the implementation of the Station Area Plans. The Corridor Working Group should monitor the development of station area plans and to assess whether the corridor will meet the corridor population threshold for the defined transit mode. At this point MTC project review can occur, with the subsequent fund allocation for project construction. MTC can then further assist in the implementation of the Station Area Plans through TLC and HIP grants.

As noted at the beginning of section, the intention here is to describe a proposed “typical” or “model” implementation process—the exact implementation steps need to be addressed for individual Resolution 3434 projects to correspond to specific situations. The Resolution 3434 Transit Expansion Projects are included as Attachment A—note that the application of these thresholds to the individual projects will be subject to subsequent discussion with sponsors that assess the development stage of the project, the type of project, and the role of regional discretionary funds.

**TOD POLICY IMPLEMENTATION PROCESS
for Res. 3434 Projects**



REGIONAL TOD IMPLEMENTATION PROCESS RESOLUTION 3434 TRANSIT EXPANSION PROJECTS		
Transit Project Stage / Transit Agency ^{ix}	City	MTC/CMA/ABAG
Establish Corridor Working Group to address corridor threshold Conduct initial corridor performance evaluation, coordinate station area planning		
Environmental review	Conduct Station Area Plans	Coordination of corridor working group, funding of station area plans
<i>Step 1 Threshold: (a) corridor must have plans that meet corridor development thresholds; and (b) Station Area Plans must be completed. Transit project continues with planning effort (meeting corridor threshold for mode or reconsidering mode) until threshold is met.</i>		
Preliminary Engineering /Final Design/ROW	Adopt Station Area Plans. Revise general plan policies and zoning, environmental reviews	
<i>Step 2 Threshold: (a) local policies adopted for station areas; (b) implementation mechanisms in place per adopted Station Area Plan.^x</i>		
Construction	Implementation (financing, MOUs) Solicit development	TLC planning and capital funding, HIP funding

VII. KEY QUESTIONS FOR THE REGIONAL TOD POLICY

This paper defines how MTC's policy to condition transit funding on supportive land use could be implemented. It is intended to define a set of policy proposals with enough specificity to allow useful discussion and debate, while allowing enough flexibility for meaningful feedback and input over the coming months. In addition to "testing" the performance measure options and implementation process through a series of TOD case studies between now and Spring 2005, there are also a number of major policy questions that must be answered before the final policy is adopted. These include:

- *Is residential population around transit stations the best overall measure for TOD supportive land use in the Bay Area? Should some measure of employment be incorporated? Are the thresholds as defined appropriate?*
- *Is a performance measure at the corridor level the best approach? How does the corridor-level performance measure function for stand alone stations, such as infill stations on an existing corridor, or the new ferry terminals that don't fit the traditional definition of a corridor?*

- *How does this policy apply to transit projects that are farther along in the project development process under Resolution 3434?*
- *This paper proposes to exempt smaller scale express bus and enhanced bus projects from the regional TOD policy. Are there other types of transit projects that should be exempt? Should corridor enhancements and upgrades that don't include new stations be exempt?*
- *Should some minimum level of existing development be in place before final approvals for the transit project proceed into the construction phase?*
- *Is there additional assistance and incentives that local governments need in planning for TOD and completing station area plans?*
- *Are the roles and responsibilities of the involved agencies appropriate? What is the best role for the private sector, community and neighborhood organizations?*

VIII. NEXT STEPS FOR THE REGIONAL TOD POLICY

MTC and its partners will conduct outreach to transit agencies, local elected officials and staff, public interest stakeholders, developers/business interests and city staff to receive feedback on the proposals. During this outreach period, MTC will also be conducting a series of case studies to test how the proposed TOD policy would be applied and the degree to which it would be effective in meeting the proposed goals.

MTC's Transportation-Land Use Task Force, the MTC-ABAG Joint Policy Committee, MTC's Planning and Operations Committee, and ABAG's Regional Planning Committee will all vet this policy proposal, and will be briefed on the findings from the case studies as they are used to test the proposals. A final policy will be amended into Resolution 3434 as part of a larger update in the spring of 2005.

Attachment A - Resolution 3434 Transit Expansion Projects		
Project	Sponsor	Project Cost (2004 \$; in millions)
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit: Phase 1	AC Transit	167
Major Corridors Enhancements - Bus Rapid Elements	AC Transit	97
BART/Oakland Airport Connector	BART	254
Tri-Valley Transit Access Improvements to BART	BART/ACCMA	445
BART East Contra Costa Rail Extension	BART/CCTA	390
BART Fremont to Warm Springs	BART	678
BART: Warm Springs to San Jose/Santa Clara	VTa	4,149
Caltrain Express: phase 1 ** OPEN FOR SERVICE **	Caltrain JPB	128
Caltrain Express: Phase 2	Caltrain JPB	482
Caltrain Electrification	Caltrain JPB	602
Caltrain Downtown Extension/Rebuilt Transbay Terminal	TJPA	1,817
Capitol Corridor Phase 1 Expansion	CCJPA	158
Capitol Corridor: Phase 2 Enhancements	CCJPA	96
Regional Express Bus **Phase 1 OPEN FOR SERVICE**	MTC	102
MUNI Third Street Light Rail Transit Project Phase 2 - New Central Subway	Muni	694
Altamont Commuter Express (ACE): service expansion	SJRRC, ACCMA, VTA	128
Sonoma-Marin Rail	SMART	288
Dumbarton Rail	SMTA, ACCMA, VTA, ACTIA, Capitol Corridor	300
Downtown/East Valley: Santa Clara/Alum Rock Corridor and Capitol Expressway LRT Extension to Niman	VTA	550
Expanded Ferry Service Phase 1: Berkeley, Alameda/Oakland/Harbor Bay, and South San Francisco to San Francisco, Downtown Ferry Terminal Improvements, and Spare Vessels.	WTA	100
Expanded Ferry Service Phase 2: Alameda to South San Francisco, and Hercules, Antioch, Treasure Island, Redwood City and Richmond to San Francisco.	WTA	139
TOTAL		\$ 11,764

ENDNOTES

ⁱ Many studies suggest strong linkages between population density and transit ridership, and that Transit-Oriented Development increases transit usage. Research utilized for this paper includes: (1) Jeffrey Zupan and Boris Pushkarev, *Public Transportation and Land Use Policy*, (Bloomington: Indiana University Press), 1977; (2) L.D. Frank and G. Pivo, Impacts of Mixed Use and Density on Utilization of Three Modes of Travel, *Transportation Research Record*, 1466, 44-52; (3) Reid Ewing and Robert Cervero, Travel and the Built Environment: A Synthesis, *Transportation Research Record*, No. 1780, pp. 87-114; and (4) Robert Cervero and Samuel Seskin, An Evaluation of the Relationships Between Transit and Urban Form, Transit Cooperative Research Program, 1995.

ⁱⁱ See <http://www.abag.ca.gov/planning/smartgrowth/> for more information.

ⁱⁱⁱ In 2004, MTC convened a broad-based Transportation-Land Use Task Force to further refine and develop this initial policy platform. The latest version of the Transportation/Land Use Platform is included in the region's draft Transportation 2030 Plan available at www.mtc.ca.gov.

^{iv} See Bay Area TOD Study's completed Task 2: "Review of Existing Transit-Oriented Development Policies" available at www.mtc.ca.gov.

^v "Travel Characteristics of Transit-Oriented Development in California" (Lund, Cervero and Willson, 2004) found that residents living within close walking distance of rail transit stations were five times more likely to commute by transit as the average resident worker in the same city.

^{vi} Note that in the case of 'Bus Rapid Transit,' we are using the definition that includes exclusive right-of-way dedicated for bus transit vehicles.

^{vii} Planning efforts that would satisfy such a requirement are already underway in some locations, and could be used to meet this requirement

^{viii} A typical method for developing this type of focused land use plan in California has been the specific plan. Defined in state law, the specific plan is essentially an update of the local general plan for a targeted area with certain elements required. The benefit of this approach is that an environmental review can be conducted on the plan as a whole, and subsequent development projects are exempt from further environmental review as long as they conform to the specific plan.

^{ix} Transit projects begin with a definition of purpose, location and potential mode, and proceed to environmental review. After the completion of environmental review (draft environmental impact report or DEIR), final environmental impact report (FEIR), the project will be issued a Record of Determination (ROD) for Federal projects or a Notice of Determination (NOD) for state projects (or both if a joint federal/state project) upon satisfaction of the Federal or State requirements.

^x An additional threshold test may involve a minimum percentage of planned development for a corridor that is either built, permitted or in the entitlement process.